

RHODE ISLAND RESOURCE RECOVERY CORPORATION

Business Meeting

Thursday, March 3, 2005

65 Shun Pike

Johnston, RI 02919

8:30 a.m.

I. Attendance

A. Austin Ferland, Chairman

Michael Salvadore, Treasurer

Wayne Salisbury

John St. Sauveur

Jerry Williams

II. Staff Present

Sherry Mulhearn, Executive Director

James Allam, Deputy Executive Director

Dennis aRusso, Operations Manger

John Trevor, Recycling Manager

Joseph Judge, Chief Financial Officer

Patrick McQueeney, Chief Security Officer

Kathleen Langton, Human Resource Manager

Pat Cerbo, Purchasing Manager

Sharon D'Angelo, Administrative Manager

Others Present

Louis Vinagro III, Throw Away

Susan Tartaglia, Throw Away

III. Agenda Items

1. Call to Order

Chairman Ferland called the meeting to order at 8:30 a.m.

2. Minutes of Meeting

John St. Sauveur made the following motion:

BE IT RESOLVED THAT THE READING OF THE MINUTES BE WAIVED AND FURTHER THAT THE MINUTES OF THE PREVIOUS MEETING OF THE OPEN SESSION HELD ON JANUARY 14, 2005 BE ACCEPTED AND APPROVED AS PRESENTED TO EACH COMMISSIONER TODAY.

Jerry Williams seconded the motion which passed unanimously.

3. Set the Next Meeting

A date for the next meeting has not been determined.

4. Contracts

a) RFQ/RFP 839 Environmental Risk Consultation/Insurance Broker – Sherry Mulhearn - On January 12, 2005, the Corporation issued RFQ/RFP No. 839 seeking proposals from qualified brokers for environmental Risk Consulting and Insurance Services. A pre-proposal conference was held on January 19, 2005 attended by one firm. Notice of solicitation appeared in the Providence Journal and was listed on the State’s Electronic Bulletin Board. There were three recipients of the proposal. There was one respondent.

John St. Sauveur made the following motion:

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO ENTER INTO NEGOTIATIONS WITH MARCH USA INC. FOR THE SERVICES AS OUTLINED IN RFQ/RFP 839 FOR A TOTAL NOT TO EXCEED PRICE OF \$60,000 PER ANNUM OR FOR A COMMISSION PLUS FEE STRUCTURE TO BE DETERMINED. THE INITIAL CONTRACT WILL BE FOR A ONE-YEAR PERIOD, WITH THE OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS.

Wayne Salisbury seconded the motion which passed unanimously.

b) Ratification of Recovermat Amended Contract – Sherry Mulhearn stated that pursuant to the resolution passed at the January Board meeting, she had completed the negotiations with the legal counsel for Recovermat of RI LLC. The amended License Agreement will provide for a three-year renewal term. The renewal term shall expire on November 29, 2007. The royalty and payment section has been amended to reflect a \$10.50 per ton payment for each year during the three-year renewal term with no additional CPI adjustment.

Michael Salvadore made the following motion:

BE IT HEREBY RESOLVED THAT THIS BOARD OF COMMISSIONERS HEREBY AUTHORIZES THE CHAIRMAN AND/OR THE EXECUTIVE DIRECTOR TO EXECUTE THE AMENDED LICENSE AGREEMENT AS PRESENTED.

Jerry Williams seconded the motion which passed unanimously.

Contract Increase

a) Caterpillar Parts and Service – Dennis aRusso reported that he was seeking a contract increase to Purchase Order No. 21736 for Milton Caterpillar Parts & Service in the amount of \$100,000. This request is to transfer the funds from Woodco's purchase order which is for VME Parts & Service. Operations has experienced two engine

failures during the past two months, one on the CBI grinder at Recovermat and one on Bulldozer No. 2 along with a full bottom replacement to Bulldozer No. 11.

Jerry Williams made the following motion:

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO INCREASE PURCHASE ORDER NO. 21736 CATERPILLAR PARTS & SERVICE WITH MILTON CATERPILLAR IN THE AMOUNT OF \$100,000.00. ALSO, PURCHASE ORDER NO. 21737 VME PARTS AND SERVICE WITH WOODCO MACHINERY WILL BE REDUCED BY \$100,000.00.

Michael Salvadore seconded the motion which passed unanimously.

b) Ocean State Tire – Dennis aRusso reported that he was seeking to increase Purchase Order no. 21739 Ocean State Tire in the amount of \$75,000. This request is to transfer the funds from Purchase Order No. 21991 C.N.Wood, which is for Komatsu Parts & Service. In April 2002, the Corporation put 66 large loader and truck tires into service at the Tipping Facility. This application has caused extreme tire wear on both types of equipment. The loader tires were initially projected to last approximately 2000 hours with the foam filling. It appears that the tipping floor is much more abrasive due to the exposed aggregate surface than expected, causing premature tire wear.

Michael Salvatore made the following motion:

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD OR THE EXECUTIVE DIRECTOR TO INCREASE PURCHASE ORDER NO. 21739 TIRES AND TIRE REPAIR WITH OCEAN STATE TIRE IN THE AMOUNT OF \$75,000.00. ALSO, PURCHASE ORDER NO. 21991 KOMATSU PARTS AND SERVICE WITH C.N. WOOD MACHINERY WILL BE REDUCED BY \$75,000.00.

Wayne Salisbury seconded the motion which passed unanimously.

5. Abatement of Commercial Tip Fee for Plastic Bags – Sherry Mulhearn reported that she had met with grocers and retailers which distribute plastic bags. During those meeting she discovered a major disconnect between the requirements of the law which mandates the retail food markets to deliver those bags collected to a suitable recycling facility and reality. Some retailers provide receptacles. Most are discarding the collected bags with the balance of the solid waste being removed from the site by the trash hauler. Given the rising costs of labor to chase and litter pick the wind-blown plastic bags, she recommended a waiver of any tip fee retailers would otherwise pay to deliver the bags to the MRF.

Michael Salvatore made the following motion:

BE IT HEREBY RESOLVED THAT THIS BOARD OF COMMISSIONERS AMENDS THE FISCAL 2005 RATE SCHEDULE TO REFLECT SEGREGATED LOADS OF CLEAN PLASTIC FILM BAGS MAY BE DELIVER TO THE MRF FOR NO CHARGE.

John St. Sauveur seconded the motion which passed unanimously.

6. Recycling Grant Requests – John Trevor reported that he was seeking approval of three grants, Environment Council of RI Education Fund, for \$15,000, Waterfire, \$30,000 and Blackstone Valley Arc for \$35,000.

Jerry Williams made the following motion:

WHEREAS, THE SUPPORT FOR INITIATIVES BY MUNICIPALITIES AND NON-PROFIT ORGANIZATIONS THAT ENHANCE AND PROMOTE RECYCLING ENVIRONMENTAL EDUCATION AND THE DIVERSION OF MATERIALS FROM DISPOSAL IS A PRIORITY FOR THE STATE OF RHODE ISLAND AND THE RHODE ISLAND RESOURCE RECOVERY CORPORATION, THEREFORE;

BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD AND/OR THE EXECUTIVE DIRECTOR TO AWARD GRANTS TO SUPPORT RECYCLING TO THE ENVIRONMENT COUNCIL OF RI EDUCATION FUND FOR \$15,000, WATERFIRE FOR \$30,000 AND THE

BLACKSTONE VALLEY ARC SORT PROGRAM FOR \$35,000. PAYMENT OF GRANTS AND CONSIDERATION FOR FUTURE GRANTS WILL BE CONTINGENT ON THE COMPLETION OF THE GRANT PROGRAMS' OBJECTIVES AS SET FORTH IN THE PROPOSALS SUBMITTED BY THE GRANTEES.

John St. Sauveur seconded the motion which passed unanimously.

7. Portsmouth & Middletown – Recyclable Transfer Request – John Trevor reported that both Portsmouth and Middletown had submitted a request for approval to transfer municipal recyclables at their transfer stations. The Corporation's policy on the transfer of recyclables stipulates that requests must be submitted formally and must be approved by the Board. The ability to transfer materials to the Waste Management Transfer Facility would be a considerable cost savings for both communities given their location. No commercially generated recyclables are accepted at the Portsmouth and Middletown Transfer Stations.

John St. Sauveur made the following motion:

WHEREAS, IT IS THE POLICY OF THE RHODE ISLAND RESOURCE RECOVERY CORPORATION, THAT ALL REQUESTS FOR PERMISSION TO TRANSFER RECYCLABLES FROM THE MUNICIPALITIES BE APPROVED BY THE CHAIRMAN AND THE BOARD OF COMMISSIONERS.

WHEREAS, THE TOWNS OF PORTSMOUTH AND MIDDLETOWN HAVE COMPLETED THE APPLICATION PROCESS AND COMMITTED TO ENSURING THE REQUIRED QUALITY OF RECYCLABLE MATERIALS DELIVERED TO THE RIRRC MRF; THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS AUTHORIZES THE CHAIRMAN OF THE BOARD AND/OR THE EXECUTIVE DIRECTOR TO APPROVE THE REQUEST BY THE MUNICIPALITIES OF PORTSMOUTH AND MIDDLETOWN FOR PERMISSION TO TRANSFER RECYCLABLE MATERIALS. BE IT FURTHER RESOLVED THAT THE PERMISSION IS GRANTED CONTINGENT UPON THE MATERIALS DELIVERED TO THE RIRRC MEET THE REQUIRED QUALITY STANDARDS AND WILL BE RESCINDED IF THESE QUALITY STANDARDS ARE NOT MET.

Jerry Williams seconded the motion which passed unanimously.

8. Other Business

a) Commercial Solid Waste Disposal Agreements – Joe Judge reported that Bilray Demolition was seeking to enter into a Commercial Solid Waste Disposal Agreement with the Corporation. After careful consideration the Board rejected this matter. Narragansett Rubbish Removal, Inc. was also seeking to enter into an Agreement with the Corporation after consideration the Board approved entering into the agreement. American Carting Express was also seeking to enter into an agreement. The Board approved their

entering into an agreement subject to American Carting submitting proper insurance documents and a letter of good standing.

Wayne Salisbury made the following motion:

BE IT RESOLVED THAT THE CORPORATION ENTER INTO A COMMERCIAL SOLID WASTE DISPOSAL AGREEMENT WITH NARRAGANSETT RUBBISH REMOVAL, INC. AND AMERICAN CARTING EXPRESS SUBJECT TO THESE COMPANIES SUBMITTING A CERTIFICATE OF GOOD STANDING FROM THE SECRETARY OF STATE AND PROPER INSURANCE DOCUMENTATION.

John St. Sauveur seconded the motion which passed unanimously.

9. Executive Session

John St. Sauveur made the following motion at 9:15 a.m.

THAT BY A ROLL CALL VOTE CALLED BY THE GENERAL COUNSEL, THIS BOARD OF COMMISSIONERS SHALL GO INTO EXECUTIVE SESSION CLOSED TO THE PUBLIC IN CONFORMANCE WITH RI GENERAL LAWS SECTION 42-46-4, UPON AN AFFIRMATIVE VOTE TO HOLD THIS PORTION OF THE MEETING CLOSED TO THE PUBLIC FOR THE FOLLOWING PURPOSES:

(A) (2) LITIGATION

(A) (5) ACQUISITION OR DISPOSITION OF REAL PROPERTY

Michael Salvatore seconded the motion which passed unanimously.

Jerry Williams made the following motion:

THAT THE MINUTES OF THE EXECUTIVE SESSION BE SEALED INDEFINITELY OR WHERE APPROPRIATE UNTIL ALL MATTERS DISCUSSED ARE RESOLVED.

John St. Sauveur seconded the motion which passed unanimously.

10. Amendment of Personnel Policies – Sherry Mulhearn stated that the Corporation’s Personnel Policies were adopted in July 1, 1997 and revised once in October 1999. Sherry stated that she and Kathy Langton were reviewing the policies and anticipate submitting a revised package for you consideration and adoption with and effective date of July 1, 2005. The revised policies once adopted will be distributed to all employees and we will solicit new signature pages acknowledging the contents. As part of that process Sherry submitted a written policy regarding retirement benefits which the Corporation has implemented over the last few years but she has not found evidence of any formal Board action adopting same. The second is a new policy regarding how the Corporation can recognize “longevity” or “seniority” for longstanding employees. Both policies

are attached to these Minutes.

John St. Sauveur made the following motion:

BE IT HEREBY RESOLVED THIS BOARD OF COMMISSIONERS ADOPTS THE RETIREMENT BENEFITS POLICY AS PRESENTED AND ADOPTS A SENIORITY BENEFITS POLICY (ATTACHED) WHICH PROVIDES AN ANNUAL BONUS OF 10 YEARS \$175.00; 15 YEARS \$350.00; 20 YEARS \$600.00 WHICH WILL BE GIVEN ON THE EMPLOYEES ANNIVERSARY DATE.

Jerry Williams seconded the motion which passed unanimously.

11. Adjourn - Michael Salvadore made a motion to adjourn at 9:55 a.m. Jerry Williams seconded the motion which passed unanimously.

Sincerely,

Sherry Mulhearn
Executive Director

:spd